

PROHANCE

zinno

DATA-DRIVEN PRODUCTIVITY

UNLOCKING SUSTAINABLE
GROWTH IN GBS ORGANIZATIONS

September 2024



FOREWORD



Ankur Dhingra
Chief Executive Officer
ProHance

In a world where seconds count and efficiency reigns supreme, Global Business Services (GBS) organizations find themselves at a crossroads. Picture a high-stakes race where the finish line keeps moving, and the track constantly shifts beneath your feet. This is the reality of today's GBS landscape - fiercely competitive and evolving at breakneck speed. As leaders in this arena grapple with the triple threat of talent retention, process standardization, and digital transformation, one factor emerges as the key to victory: productivity.

To address these challenges, the GBS sector has invested heavily in technology integration and work orchestration across geographies. Organizations are implementing sophisticated systems to optimize operations and deliver superior value. In this context, ProHance distinguishes itself as a transformative force, offering an innovative approach to productivity management.

As a trusted efficiency partner for numerous distinguished GBS organizations, ProHance has gained deep understanding of their unique challenges. Years of collaboration with industry leaders such as Tesco, JLL, American Express, and Lowe's have honed our expertise. To further enhance our value proposition for the GBS sector, we have partnered with Zinnov, a globally recognized management and strategy consulting firm. This collaboration combines ProHance's innovative technology with Zinnov's deep industry expertise to deliver unparalleled insights and solutions to our clients.

The comprehensive whitepaper that follows is a product of this partnership. It provides an in-depth analysis of the challenges facing GBS organizations and presents a clear roadmap for the future. Within these pages, you'll find a detailed examination of current GBS productivity bottlenecks, actionable strategies for implementing data-driven productivity management, and case studies showcasing success stories.

As you explore this whitepaper, consider how these insights can be applied to your own GBS organization. The future of GBS belongs to those who can effectively harness the power of data to drive productivity and deliver exceptional value. With ProHance, you'll be well-equipped to lead this transformation and secure a competitive edge in the global marketplace.

FOREWORD



Karthik Padmanabhan
Managing Partner
Zinnov

Productivity has always been a critical driver for success for Global Business Services (GBS), but its significance has never been more pronounced than today's challenging business environment.

As economic challenges intensify and market demands rapidly evolve, GBS leaders face the dual task of delivering operational excellence while fostering innovation. This delicate balance requires a new approach, where data-driven productivity management becomes essential. It's no longer just about efficiency; it's about creating lasting value that aligns with long-term strategic goals.

At Zinnov, our extensive work with diverse GBS organizations has revealed a key insight: the ability to transform data into actionable intelligence is crucial for success. However, this process requires more than just advanced tools. It demands a comprehensive strategy that integrates people, processes, and technology to drive continuous improvement.

This whitepaper, a collaborative effort between Zinnov and ProHance, aims to equip GBS leaders with the knowledge and tools needed for this transformation. By combining ProHance's advanced workforce analytics with Zinnov's strategic expertise, we offer a holistic view on how GBS organizations can achieve new levels of productivity and operational resilience.

As you explore the strategies and case studies presented here, consider how these insights might apply to your organization. In today's rapidly changing business environment, the capacity to effectively use data and drive meaningful change will distinguish leading GBS organizations in the global market.

The future of GBS will be shaped by those who can turn insights into tangible results, transforming challenges into opportunities for growth. This whitepaper serves as a guide to help you position your organization at the forefront of this evolution in global business operations.

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01

EXECUTIVE SUMMARY

Productivity: A Critical Lever for GBS Transformation but with Its Own Challenges

- **Evolving Focus:** GBS organizations are moving beyond efficiency to prioritize outcomes and innovation
- **Productivity a Priority for Leaders:** 53% of GBS leaders rank productivity improvement as their top goal for 2024 amid economic uncertainty
- **Data Access Issues:** 52% of leaders struggle with limited access to reliable data, hindering effective decision-making on productivity initiatives
- **Sustainability Challenge:** Simply increasing employee effort is ineffective; productivity drops by 15% after 8 hours of work, highlighting the need for a more sustainable approach

Addressing Productivity Challenges with a Sustainable Approach

- **Visibility:** Reliable data and insights are crucial for identifying pain points and enabling targeted interventions across people, processes, and technology
- **Interventions:** Implementing data-driven strategies to achieve immediate and long-term productivity goals
 - **Quick Wins:** Driven by people-centric actions like optimized resource allocation, task prioritization, and incremental process improvements
 - **Sustained Impact:** Through institutionalized initiatives that enhance customer and employee experience, talent strategies, compliance, and process transformation, building a culture of continuous improvement
- **Change Management:** Effective management of diverse stakeholder priorities is essential to improve the odds of success of productivity initiatives
- **Proven Outcomes:**
 - **Initial Gains:** Organizations early in their productivity journey can see up to a 20% improvement in productivity levels
 - **Sustained Gains:** Mature organizations can achieve 98-100% quality levels and achieve 110-120% productivity targets over a sustained period of time

Strategic actions organizations can take based on their level of maturity

- **Create Awareness:** Foster organizational understanding of priorities, data, and processes
- **Deliver Value:** Implement institutionalized measures focused on business impact
- **Drive Innovation:** Continue refining and innovating to support GBS as a strategic enabler in transformation efforts

02

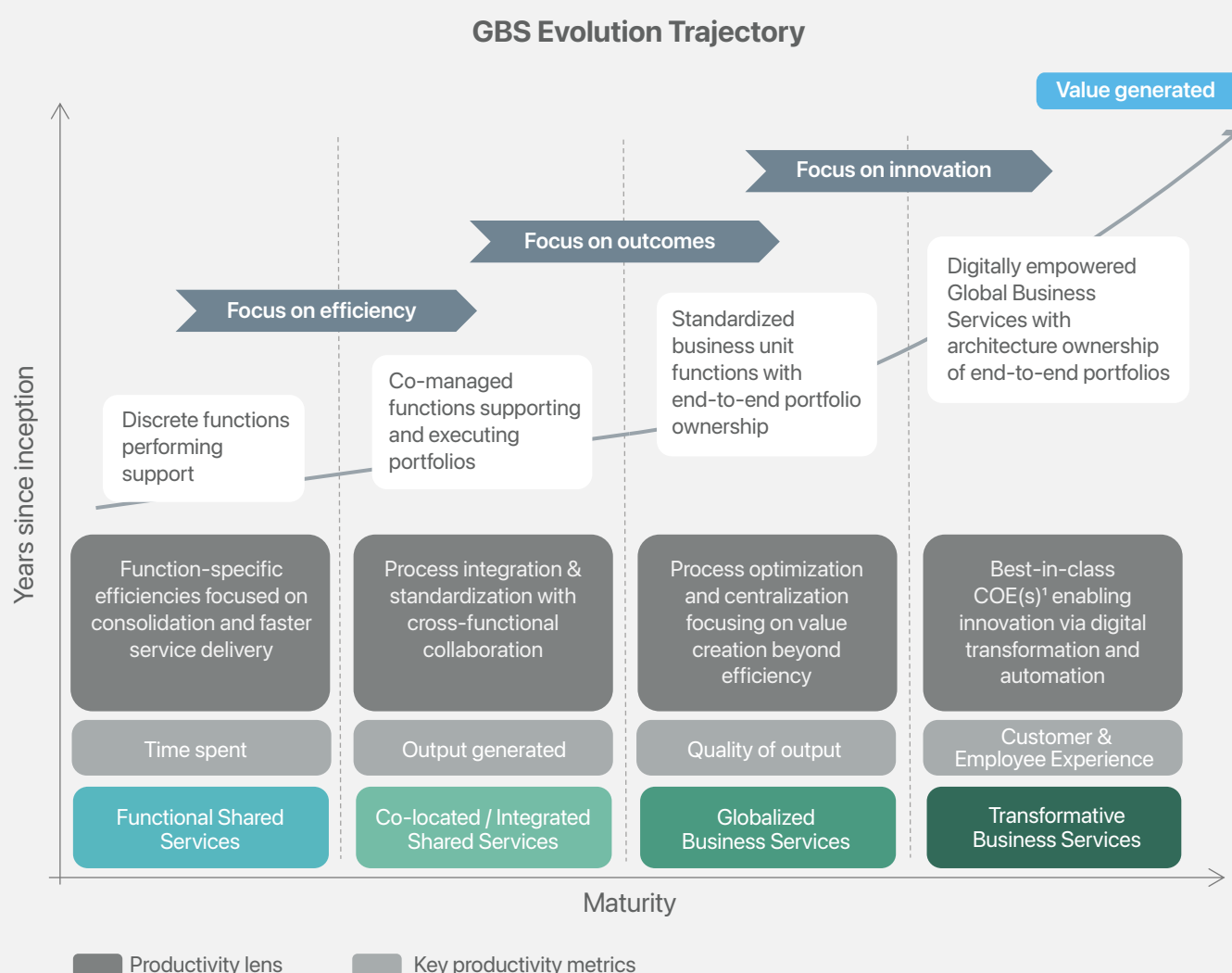
NEED FOR PRODUCTIVITY IN GBS ORGANIZATIONS

Navigating challenges. Leveraging data, and driving sustainable impact on productivity

As GBS organizations mature to unlock strategic value for their parent organizations, "Productivity" remains an intrinsic focus

As GBS¹ organizations mature, their approach to driving productivity for the larger organization has undergone an evolution. Productivity, always an innate focus for GBS, is now viewed through a wider, more strategic lens. This shift reflects the changing role of GBS within organizations and the expanding scope of their impact.

Traditionally, GBS productivity metrics were geared primarily towards cost savings. However, as these organizations evolve into strategic partners, their focus has broadened to encompass sustainable value creation across multiple dimensions. Today's GBS leaders are not just looking at efficiency gains, but are actively working towards improved cash flows, enhanced customer experiences, and the seamless integration of emerging technologies.



This evolution in the GBS landscape has elevated productivity to a critical factor in meeting the "growth" and "value" expectations set by the larger organization. The current macroeconomic environment further amplifies this importance, challenging GBS organizations to play a dual role. They must now be at the forefront of innovation, driving proactive solutions to navigate uncertainties, while simultaneously maintaining their commitment to delivering operational efficiencies.

Amidst macro headwinds, productivity is now more critical than ever

Macroeconomic headwinds influence organizational priorities

As GBS organizations evolve towards enhanced value creation, they face a variety of external factors that influence their trajectory.

These global challenges necessitate an increased focus on productivity improvement. Hence, organizations must enhance their operational efficiency while simultaneously driving innovation to stay resilient and competitive amidst intensifying macroeconomic pressures.

Simultaneously, rapid advancements in Technology, particularly AI, are transforming service delivery paradigms.

While this presents opportunities, it also highlights the need for strategic adoption and integration of these technologies to boost productivity.

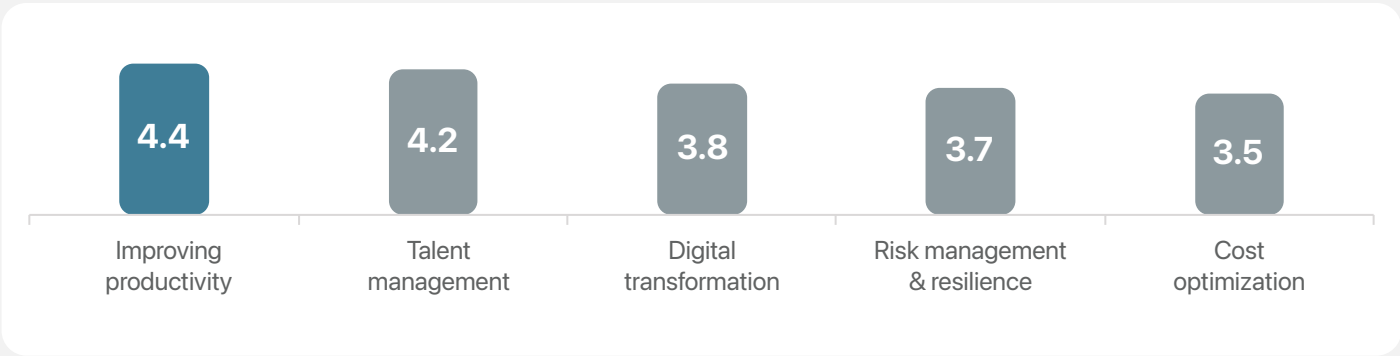
Key macroeconomic factors driving the need for enhanced productivity

Interest Rates & Inflation	5.9% Global headline inflation forecast for 2024
Geopolitical Risks	69% of Chief Economists predict rising geoeconomic risks in 2024
Worldwide Political Elections	70+ countries to face government elections in 2024
Rapid Advancements in AI	60% of executives expect major Generative AI industry disruption in 5 years
Supply Chain Volatility	169+ countries hit by chip shortage, disrupting Supply Chains

While GBS leaders have identified various levers to navigate headwinds, "Productivity" stands as a key lever

Our recent survey¹ reveals that 53% of GBS leaders prioritize improving productivity as their most critical strategy to remain competitive, essential for maintaining market competitiveness. Prioritizing talent management remains crucial for GBS organizations, regardless of macroeconomic conditions. This focus on talent management is essential for maintaining operational excellence and fostering ongoing transformation, especially given talent is most critical in the success of a GBS.

Given the current macro landscape, what are the top priorities of your Center in 2024?*



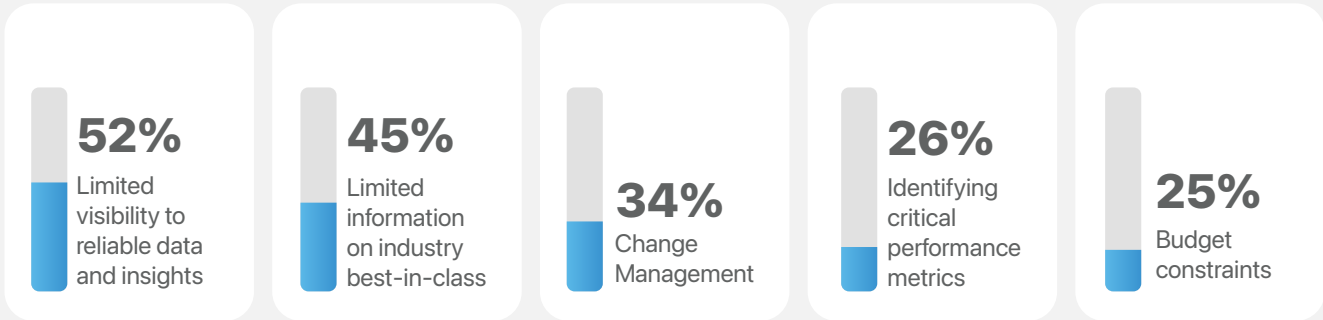
n= 120+

Notes: (1) Zinnov-ProHance pulse of productivity survey with 120+ GBS leaders in India. (*) Average rating on a scale of 1-5 (1 being lowest and 5 being the highest priority), (**) Top 5 out of 10+ key priorities from the survey are highlighted
Source: World Economic Forum, IMF, World Bank, Zinnov Analysis

However, boosting productivity has its own set of challenges and trade-offs

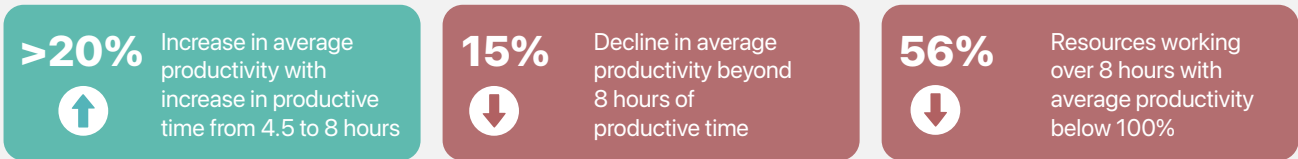
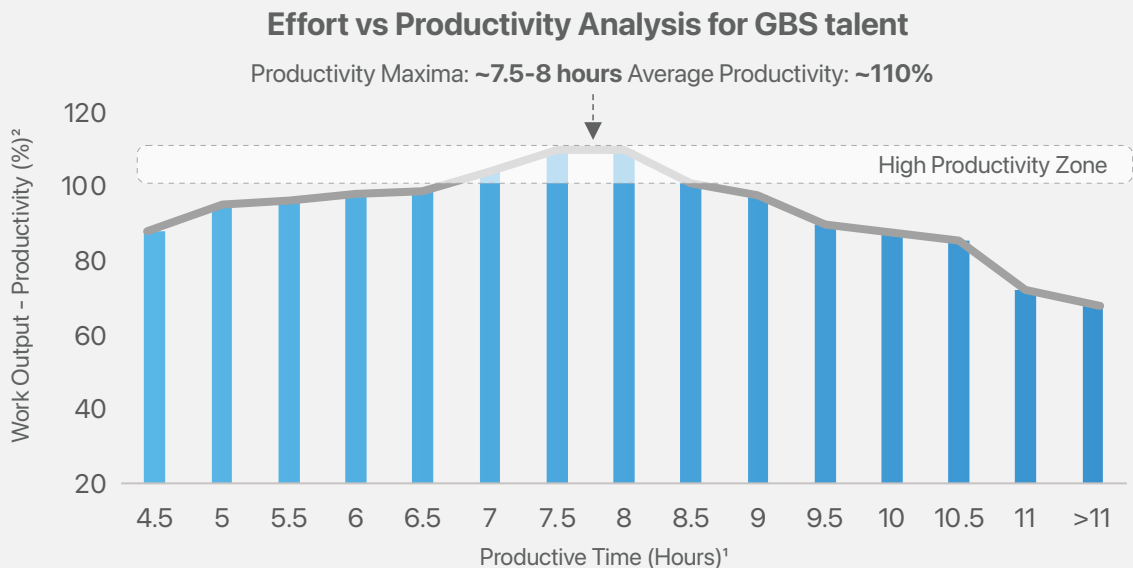
As organizations strive to enhance productivity, they face several challenges, notably limited access to reliable data. Our survey of over 120 GBS leaders across India reveals that while 95% of these organizations have productivity measurement mechanisms, the reliability and comprehensiveness of this data for effective decision-making remains a critical concern.

What are your challenges in making decisions to improve productivity at your Center?



n=120+

While data visibility is crucial, enhancing productivity involves multiple strategic considerations. Organizations cannot simply push employee efforts. An analysis of 2,000+ GBS employees shows that **56% of those working over 8 productive hours have average productivity below 100%**. This indicates that extended work hours can lead to burnout, reduced morale, and decreased efficiency, ultimately proving counterproductive.

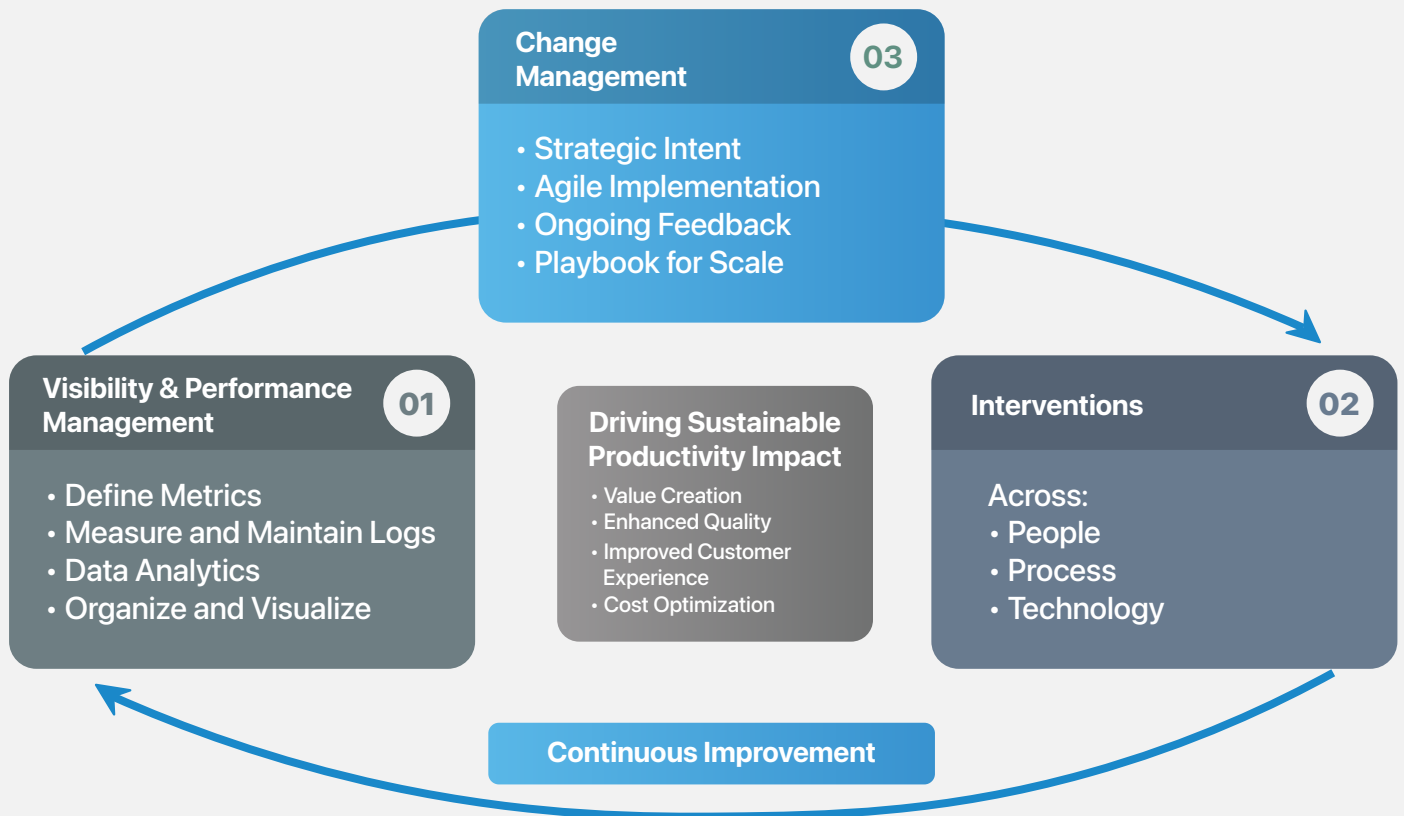


Given these insights, it's clear that organizations need a sustainable approach to drive productivity, ensuring long-term success without compromising workforce efficiency.

Notes: (1) Productive time is time spent on task completion/widget processing including both - time on and away from system for such work.
(2) Work Output - Productivity % means share of widgets processed w.r.t target (Refer to "Notes to Readers" for detailed definition on metrics)
Source: Zinnov Pulse of Productivity Survey 2024, Zinnov-ProHance Analysis

Approaching sustainable productivity demands a data-driven strategy combining visibility, targeted actions, and managed change

In the pursuit of sustainable productivity, GBS organizations should adopt a data-driven strategy that emphasizes visibility, targeted interventions, and effective change management.



Visibility into comprehensive workforce data is fundamental. By collecting and analyzing data on L&D progress, performance metrics, and productivity indicators, organizations can identify skill gaps, optimize work arrangements, and enhance productivity. Clear metrics and intuitive dashboards enable data-driven decisions and targeted interventions

Interventions focus on enhancing people, processes, and technology. This can be done through tailored L&D programs, productivity-linked reviews, process reengineering, and adopting Automation and AI to enhance decision-making and drive operational efficiencies and productivity gains

Change Management strategies are vital for sustainability. Agile implementation methodologies, ongoing feedback mechanisms, and establishing continuous feedback loops ensure the refinement of initiatives over time

By systematically applying these strategies, GBS organizations can not only improve productivity but also foster a culture of continuous improvement and resilience against both internal and external challenges

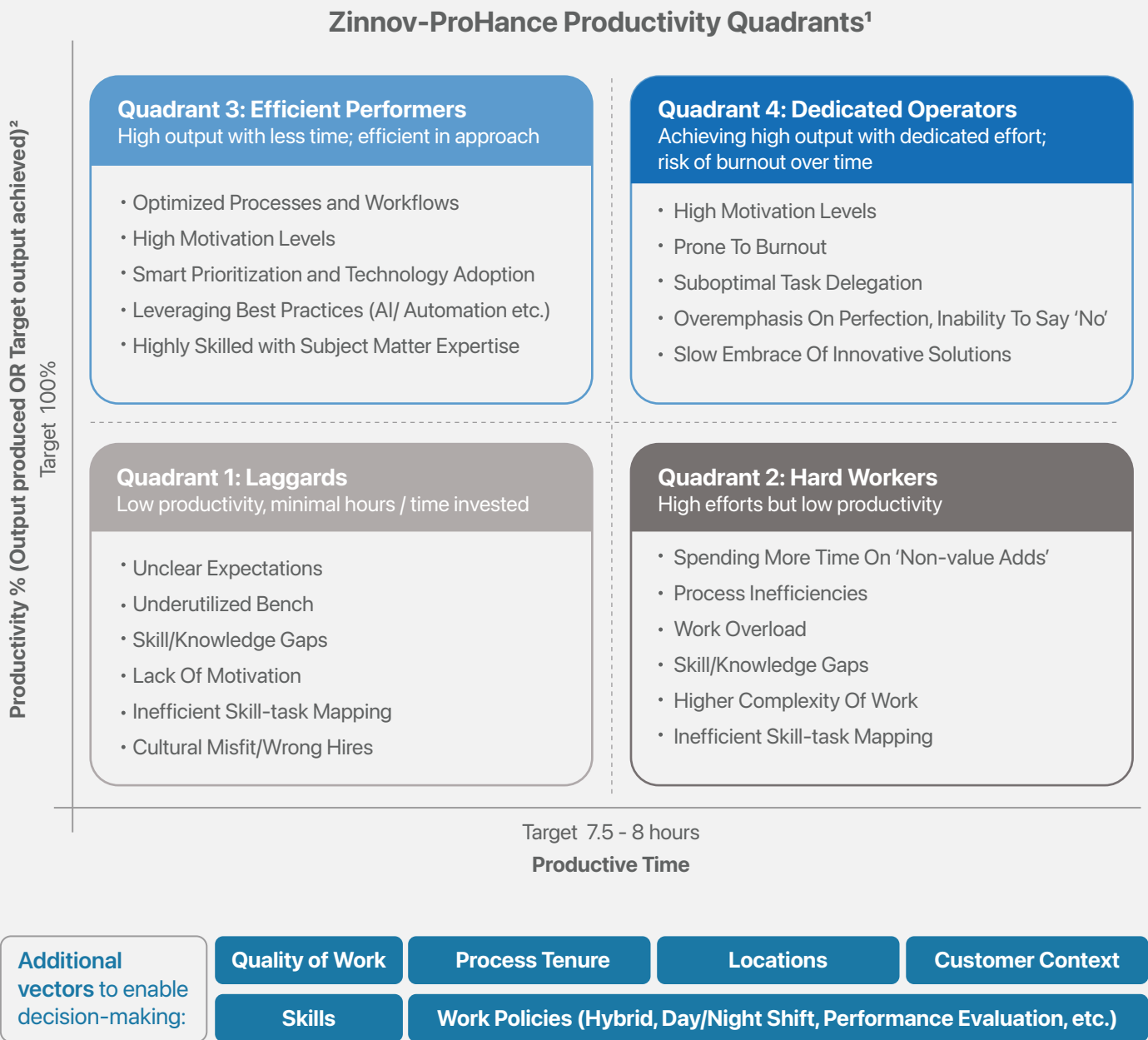
03

ENHANCING PRODUCTIVITY IN GBS

**Strategic interventions and data
visibility to boost and sustain GBS
Productivity**

Visibility into workforce data enables GBS leaders to identify pain points and implement strategic interventions

Visibility is critical for improving productivity and organizations must identify the right way of visualizing data. For this, **GBS organizations can leverage the following “Productivity Quadrants” which compare employee’s productive time and productivity (output achieved).** This perspective allows leaders to analyze distribution for both internal and outsourced workforce across the four productivity quadrants, identify issues, recognize patterns, and diagnose root causes of low productivity.



By adopting this framework, organizations can establish baselines, benchmark performance, set realistic targets, and initiate actionable interventions for employees and teams across different quadrants. This also provides valuable insights for shaping strategic policies related to hiring, performance evaluation, attendance, L&D, as well as Digital Transformation.

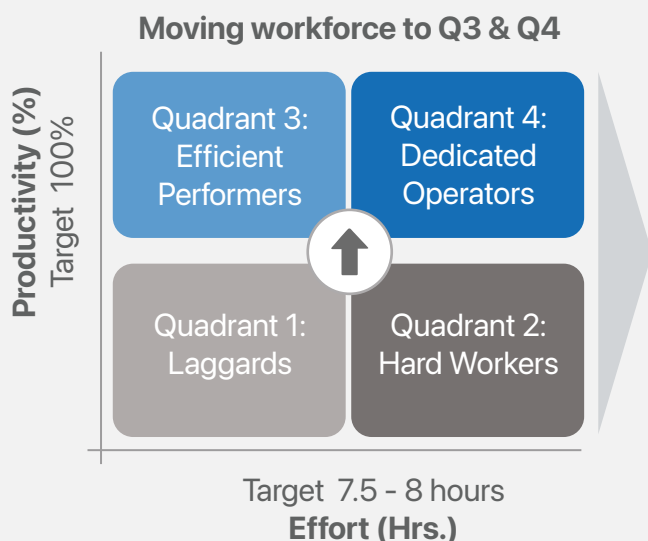
Notes: (1) The lists of key observations across quadrants are illustrative (2) Productivity (Y-axis) is assessed by comparing actual output to target output, factoring in work complexity. The same should be normalized for different parameters. Refer to “Notes to Readers” for detailed explanation.
Source: Zinnov-ProHance Productivity Forums (Inputs from 110+ senior leaders), Zinnov Analysis

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Interventions across People, Process and Technology levers can help organizations move workforce from low to high productivity quadrants

As employees shift between productivity quadrants due to various systemic, personal, or external factors, organizations must strive to keep no more than **25%** of their workforce in the bottom quadrants (Q1 & Q2). Sustaining high productivity necessitates strategic interventions in capacity planning, L&D, goal setting, process optimization, and access to the right tools.

Possible interventions to drive workforce to Quadrant 3 & 4



People

- Latent Capacity Utilization
- Load Balancing
- Informed Hiring Strategy
- Skill And Competency Assessments
- Implement Performance-driven Goal-setting
- Establish Merit-based Incentive Structures
- Coaching and Mentoring
- Effective Task Prioritization

Process

- Streamline and Reevaluate Processes
- Revise Targets and KPIs based on Past Performance, Skills, Experience, Future Anticipations, etc.
- Reduce/Eliminate Incidental Work Such As Meetings and Documentation
- Identify and Advocate Best Practices

Technology

- Deploy Integrated Productivity Reporting Tools with Advanced Analytics
- Identify Opportunities for AI and Automation Within Processes
- Collaboration Tools for Better Engagement
- Centralized Data Platforms for Transparency

Depending on the organization's construct, priorities, and challenges, these interventions can be taken to drive productivity in existing operations as well as shape future strategies with respect to Talent, Technology, and overall business.

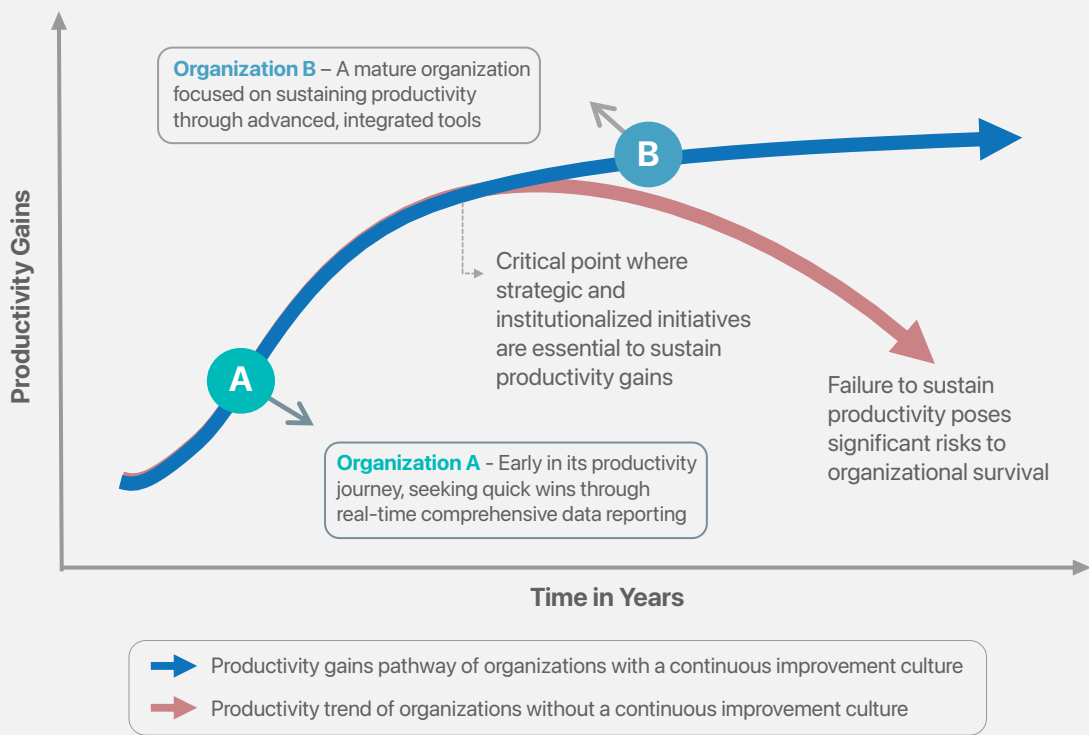
Through diligent data reporting and proactive interventions, organizations can achieve both quick wins and sustained impact

The 'Productivity Quadrants' framework was applied to evaluate productivity gains for **two distinct GBS organizations**:

- **Organization A:** In the early stages of the productivity journey, recently initiated real-time and regular productivity data reporting
- **Organization B:** A mature organization, leveraging advanced, integrated tools for nearly five years, with a focus on sustaining productivity and building resilience

This analysis illustrates how organizations can achieve quick wins while fostering long-term impact and cultivate a culture of productivity.

Productivity journey through data-driven interventions over the years¹



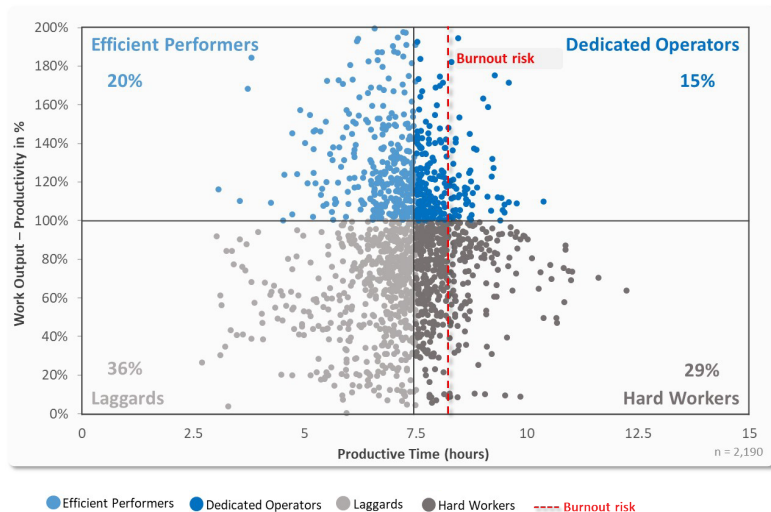
Org. Information	Organization A	Organization B
Industry	Healthcare RCM	Healthcare RCM
India Headcount	6,500+	24,300+
Business Functions	Business Operations and IT Operations	Business Operations and IT Operations
Context	Recently deployed a productivity monitoring tool in Jun'23 for comprehensive visibility into output and time spent data	- Using a sophisticated tool since the past five years, offering advanced data integration and visualization, enhancing data visibility - Established a robust foundation to monitor productivity

CASE-IN-POINT (ORGANIZATION A)

Organization A achieved quick wins by gaining visibility to time and output metrics

At Organization A, insufficient data capture tools hampered decision-making. The introduction of a new productivity reporting tool for 2,190 BPM employees revealed that **~2/3rd of the workforce fell short of productivity-related expectations**

Productivity analysis: Data for June'23



Median Output – Jun'23

121%

Efficient Performers

+

Dedicated Operators

71%

Laggards

+

Hard workers

Key Observations

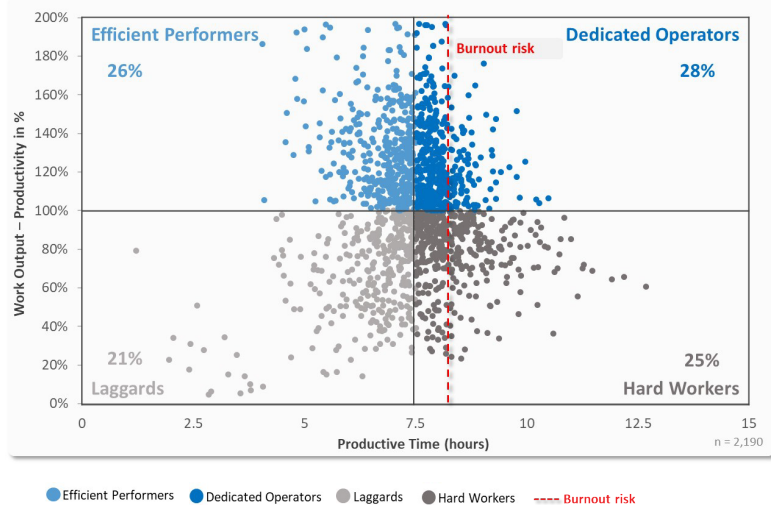
67% Median Output among Laggards

20% of Laggards worked <6 hours

42% of total workforce delivering <80% of output

Within 6 months, data-driven interventions led to 19% of employees moving into high productivity zones (moved from Q1, Q2 to Q3, Q4).

Productivity Analysis: Data for Dec'23 (Post-interventions state)



Median Output – Dec'23

123%

Efficient Performers

+

Dedicated Operators

80%

Laggards

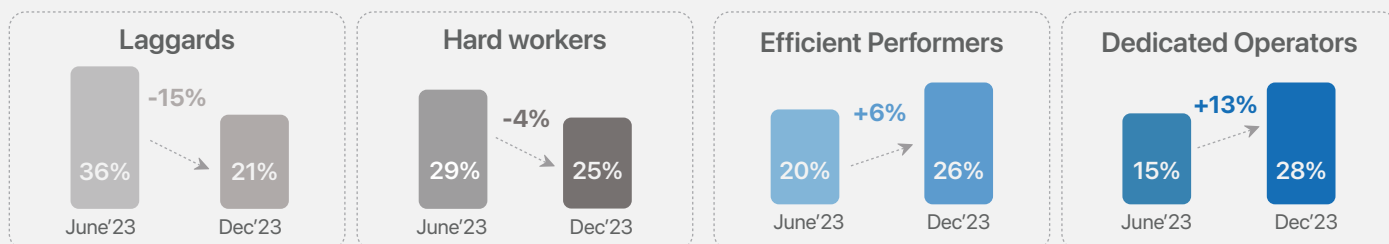
+

Hard workers

CASE-IN-POINT (ORGANIZATION A)

Strategic interventions in people and process moved 19% of workers to high-productivity zones within six months

Change from June'23 to December 23



To achieve this shift, the organization implemented targeted interventions for immediate impact while setting the stage for long-term improvements.

People-Focused Strategies:

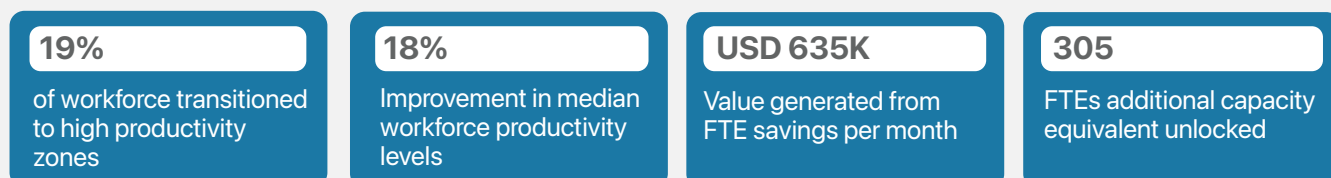
- **Latent Capacity Utilization:** Improved work distribution and bench utilization, focusing on employees consistently working under 4 hours
- **Self-Accountability:** Introduced personalized dashboards for employees to gain visibility into their work patterns
- **Task Prioritization:** Increased time on production applications (core work¹), reduced time on documentation, MS Outlook, and MS Teams (non-core work¹)

Process-Improvements:

- **Identified inefficiencies:** Identified opportunity to improve the process to solve for frequent screen changes (context switches) by integrating relevant tools in a single interface
- **Best Practice Adoption:** Facilitated knowledge transfer of top performers' approaches and tools to team leaders and individuals

Productivity Impact (post 6 months of implementation):

The strategic interventions drove significant improvements in overall productivity output within 6 months:



Impact on Overall Business:

- **Cost Efficiency:** Improved productivity led to a better cost structure, enabling competitive pricing and driving business growth
- **Service Expansion:** Increased efficiency supporting the expansion of service offerings
- **Operational Agility:** Data-driven decision-making improved the organization's ability to adapt to changing business needs

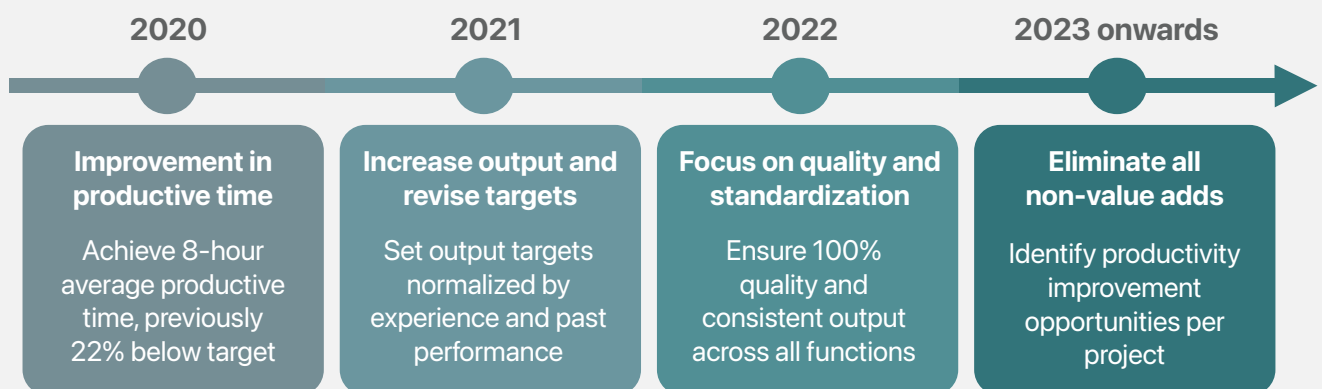
CASE-IN-POINT (ORGANIZATION B)

Data-driven decisions enabled Organization B's journey towards sustainable productivity

Background and Business Context

- As a Private Equity-backed firm, the GBS has a clear mandate to drive productivity and operational efficiency
- The GBS's internal productivity tool, reliant on manual data entry and decentralized sources, proved unreliable during the shift to hybrid work
- In August 2020, they adopted an external tool for reliable, comprehensive data analysis to drive targeted interventions

Moving towards sustainable productivity



Key interventions taken to achieve productivity goals



People

- Proactive resource planning, including buffer and bench management, right-sizing for current and future needs, shaping overall hiring strategy
- Monthly scorecards for employees capturing key metrics on output and quality, while ensuring daily visibility for enhanced transparency
- Running 40 performance-based incentive programs, offering perks such as quarterly appraisals and career progression opportunities



Process

- Monthly review of targets, at the center, team, and individual levels, normalized for experience, past performance, skills, and work quality
- Ongoing identification and elimination of workflow inefficiencies across all functions



Technology

- Deployed external tool for comprehensive data capture on productivity and providing analytics and insights across vectors such as quality, output, etc.
- Implementing Automation tools for documentation tasks to address significant time leakage

USD 19.2 Mn

Value generated¹
in last 4 years



By applying the four-quadrant theory through a robust productivity tool, we achieved real-time performance insights. This enabled us to optimize staffing and uplift 20% of employees to high-productivity zones

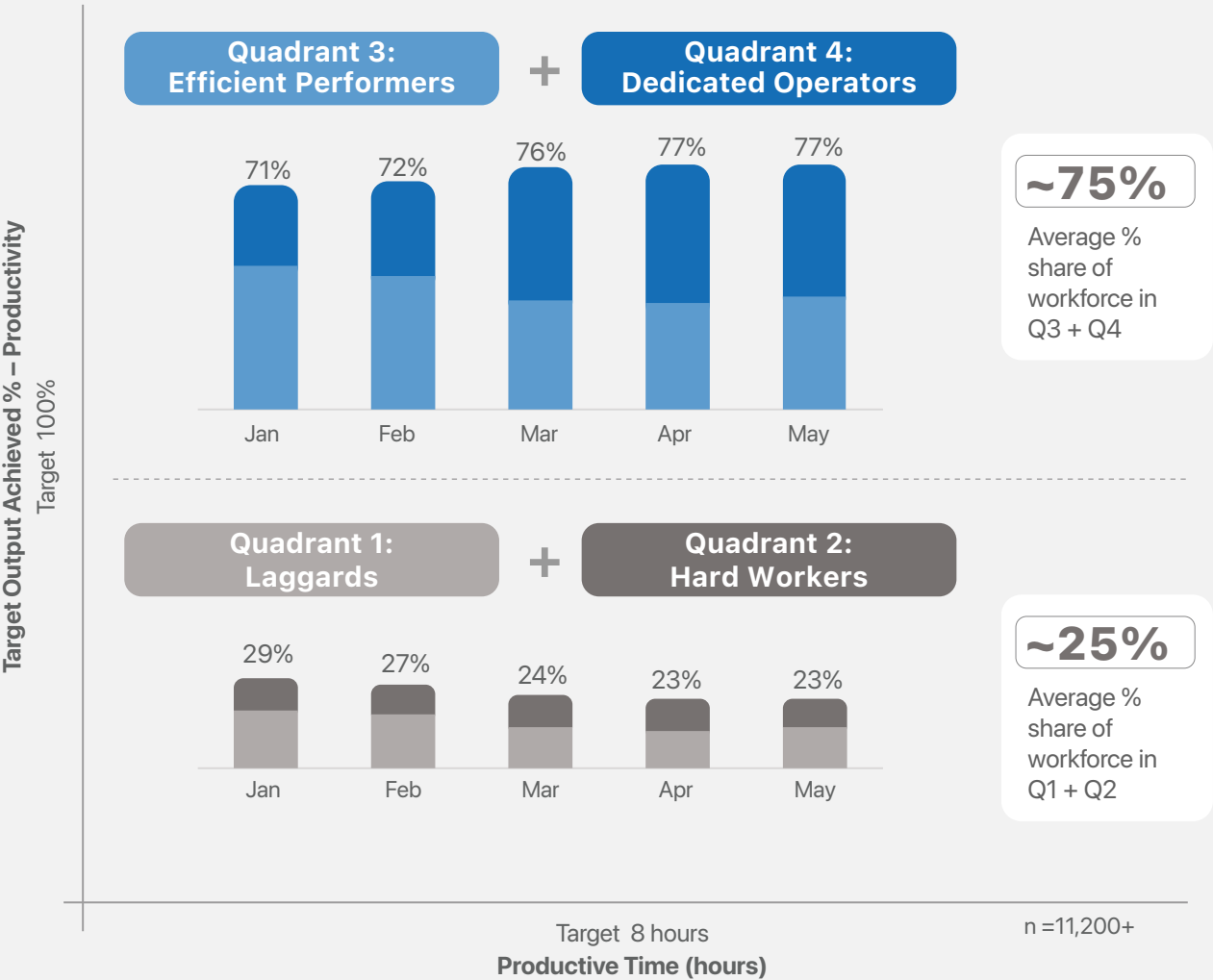
- Associate VP, Resource Planning & Business Intelligence

CASE-IN-POINT (ORGANIZATION B)

Organization B has been able to show consistent productivity with 3/4th of the workforce in high-productivity quadrants

Over the last four years, Organization B has sustained high output levels through strategic interventions and policies, resulting in **75% of its workforce falling under Quadrants 3 and 4.**

Workforce distribution as per productivity and productive time for Jan-May 2024¹



Key Takeaway: The GBS managed to sustain productivity levels; the share of the workforce within quadrants remained consistent over five months of 2024

As a result, India locations are delivering significant outcomes:

112%

Median workforce productivity levels for May'24

99%

Median quality levels in service delivery for May'24



We approach productivity from a multi-dimensional perspective, integrating production hours, overall productivity, and quality, the tool acts as a critical enabler allowing us to leverage data for in-depth analysis and informed decision-making to improve productivity across the organization

- Associate VP, Resource Planning & Business Intelligence

Notes: (1) % in the chart: Share of employees falling under the respective Quadrant based on average productive hours x % target achieved. % Target output achieved: % of target output achieved, normalized for factors such as complexity, skill sets. Refer to "Notes to Readers" for detailed explanation. (2) Graph shows combined % share for Quadrants 1 & 2 and also Quadrants 3 & 4
Source: Primary interviews, Zinnov-ProHance Analysis

Universal Applicability of Data-driven Strategies

01

While these case studies focus on Healthcare RCM and IT Operations, the core principle of data-driven productivity gains applies across all GBS functions. By harnessing real-time metrics and analytics, organizations can enhance performance in Finance, HR, Procurement, and beyond. This approach not only optimizes individual functions but also fosters cross-functional synergies, creating substantial value for stakeholders throughout the Enterprise

Scalability of Intervention Models

02

The targeted intervention approach is adaptable across GBS functions. For example, contact centers can categorize agents based on handling time and resolution rates, tailoring coaching strategies to enhance overall performance and customer satisfaction. Similarly, IT service desks can classify support staff by ticket resolution times and user satisfaction scores, enabling personalized improvement plans that drive efficiency and service quality across the organization

Progressive Productivity Approaches for Evolving GBS Organizations

03

Productivity strategies can be tailored to different GBS maturity stages. Early-stage organizations can focus on quick wins and rapid, high-impact improvements. GBS units managing standardized business functions can implement systematic, multi-level performance reviews. Mature GBS organizations can drive continuous innovation and operational excellence by identifying and eliminating workflow inefficiencies and fostering a culture of ongoing optimization across all processes and functions

Productivity as a Strategic Lever for All Stakeholders

04

While the case studies focused on specific operational areas, the principles of visibility, intervention, and change management extend across all GBS functions. From the C-suite's strategic decision-making to operational excellence and technology prioritization, productivity insights inform key decisions at every level. This comprehensive approach creates value for diverse stakeholders, aligning GBS efforts with broader organizational goals and driving continuous improvement across the Enterprise

In conclusion, data-driven productivity enables key benefits for diverse stakeholders unlocking critical outcomes for business

 Key benefits enabled through data-driven productivity

 Outcomes Achieved (Linked to KRAs)

CHIEF OPERATING OFFICER (COO)

Ground-level Visibility

Enhanced Customer Satisfaction

Cost Optimization & Stabilization

Resource Optimization

Service Level Management

Increased Operational Efficiency

Vendor Management

Setting Baselines and benchmarks

Operational Resilience

Operational Risk Assessment

Process Standardization

Improved Service and Customer Satisfaction

Capacity Planning & Forecasting

Right Sizing

CHIEF FINANCIAL OFFICER (CFO)

Cash Flow Optimization

Cost Benefit Analysis

Reduced Costs

Vendor Performance Management

Improved Margins and Profitability

Financial Performance Forecasting

Control & Compliance

Payroll Auditing

CHIEF HUMAN RESOURCE OFFICER (CHRO)

In-house/ Remote Work Decisions

Right Organizational Culture

Optimize Hiring Strategy

Workforce Planning & Management

Attracting Top Talent

Employee Engagement

L&D Focus Area Identification

Reduced Attrition

Performance Management

Employee Well-Being

CIO / CTO / CTRO (BASED ON ORG CONSTRUCT)

Asset Utilization

Technology ROI Analysis

IT Cost Reduction

IT Workflow Optimization

Process Redesign and Optimization

Innovation and Digital Transformation

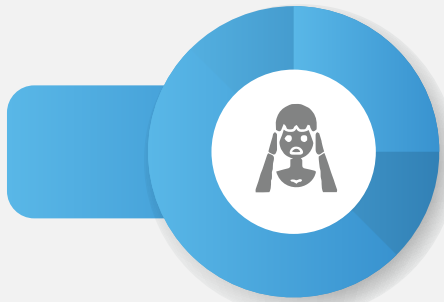
Security Enhancement

Change Management Planning

Enhanced Cybersecurity

Automation Opportunity Identification

While stakeholders across the organization have diverse priorities, there are fundamental questions that must be addressed collectively to enable effective data-driven visibility and interventions. These essential questions include:



How to justify the need for change?



Will it have a negative impact on employee morale and org culture?



How to implement productivity interventions without disrupting established workflows?



How do I track success / progress of the initiatives?

Addressing these fundamental questions requires a comprehensive approach. A well-defined '**Change Management**' strategy is crucial to navigate these challenges effectively. Such a strategy provides the necessary structure and guidance to align teams, streamline processes, and ensure a smooth transition toward new operational paradigms

04

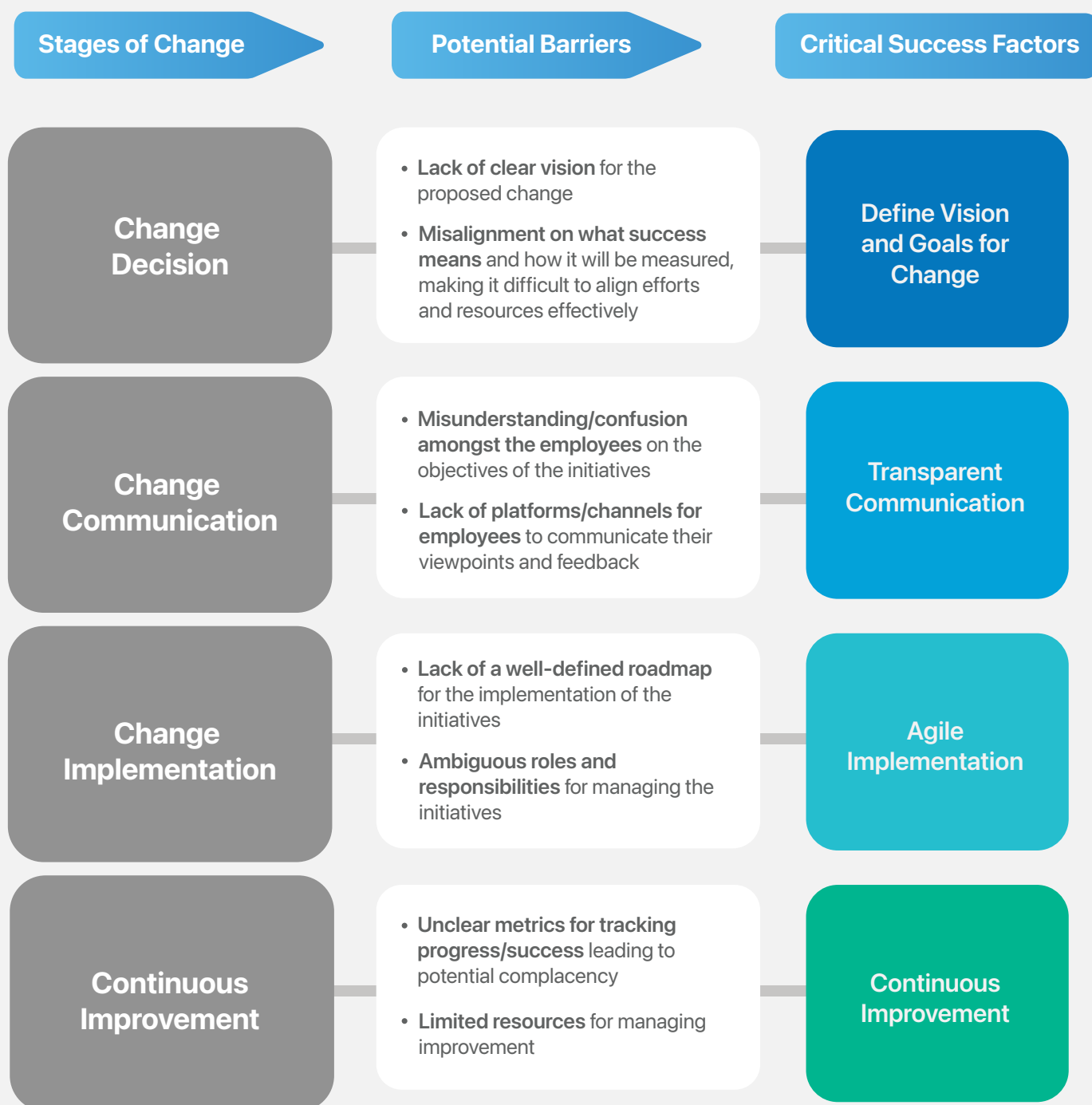
OVERCOMING BARRIERS TO CHANGE

**Critical Success Factors for
Effective Change Management**

Effective Change Management strategy must identify and action on the barriers to change

Organizations may face significant barriers in enhancing visibility or implementing interventions, necessitating a strategic approach

Implementing any strategic or transformation initiative can be challenging for organizations to manage internally, particularly in terms of change. Therefore, it is crucial to carefully anticipate and **plan for the potential challenges an organization may face when introducing a productivity tool and driving interventions to improve efficiency.** This necessitates a well-structured **Change Management** strategy. The main goal should be to understand the obstacles to change at each stage and identify the key success factors needed to overcome them.



Focusing on each of the Critical Success Factor (CSF), to build an effective Change Management strategy

Change Management success factors and approach to achieve productivity goals



Define Vision and Goals for Change

- Create a **shared, organization-wide vision** overarching the productivity initiatives
- **Outline long-term and short-term goals** to be achieved through new productivity initiatives- for instance, upskilling teams, identifying Automation opportunities, etc.
- Align with change managers on the objective of adapting a new tool/technology - to **empower teams through data-driven decision-making** for increased productivity



Transparent Communication

- Clearly **articulate the rationale and reasons** for undertaking productivity-related initiatives- for both visibility tools and interventions
- Leverage notice boards, TV, monthly newsletters, emails, etc. to **ensure consistent and clear messaging** across all platforms
- Create a regular rhythm for **360-degree feedback/voice of employees** to capture the pulse on the progress of change. Action on feedback transparently



Agile Implementation

- Outline a **stage-gated transition roadmap** tagged with processes and timelines
- Leverage lean and Six Sigma practices to **start with smaller teams (though PoCs) and then scale up**
- Iterate on the plan based on progress and inputs from the 360-feedback



Continuous Improvement

- Establish a governance structure and cadences at regular intervals to **review progress and ensure accountability**
- **Define and monitor KPIs** to track progress and ensure alignment with change managers



The communication of what is expected from the associate plays a vital role. Communicating to the employees as to what is expected of them was an 'AHA' factor for us. When we started communicating why productivity is tracked and what is expected from the employees, we saw a jump in overall output by 15%.

- VP - Technology & Centre Head, of a Retail GBS



We've pivoted our tool adoption strategy. We now have a small adoption team of 5-6 members that proactively implements tools across the organization, managing adoption for thousands of developers. This approach significantly reduces friction in the process.

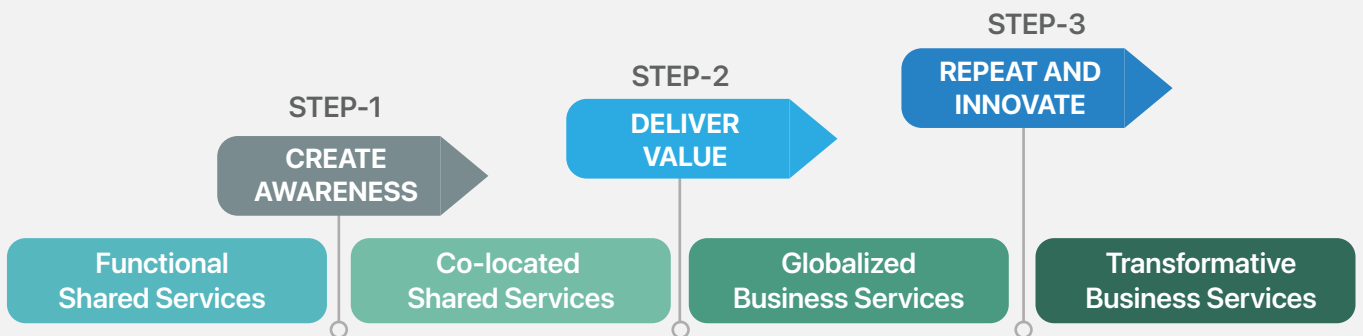
- CIO, APAC, of an Industrial GBS

05

STRATEGIC PLAYBOOK FOR ENHANCING PRODUCTIVITY

Playbook for organizations to
systematically improve productivity
while moving up the maturity curve

To be a transformative GBS, organizations need to take systematic steps to drive productivity while shifting right



STEPS		RECOMMENDATIONS
Discrete efforts for productivity improvement STEP-1 CREATE AWARENESS Functional Co-located	Focus on integration and standardization	01 Build awareness about organization's priorities and objectives 02 Gain visibility into organization-wide data 03 Identify productivity opportunities for immediate wins
Focus on integration and standardization STEP-2 DELIVER VALUE Co-located Globalized	Building process and domain expertise	04 Bring focus on improving quality and customer and employee experience 05 Leverage advanced data analytics for decision-making 06 Drive institutionalized productivity initiatives 07 Focus on incremental process improvements
Building process and domain expertise STEP-3 REPEAT AND INNOVATE Globalized Transformative	Play strategic role in delivering new sources of value	08 Foster a culture of continuous improvement 09 Focus on transformative processes 10 Become a strategic unit driving organization's growth

Action plan for implementing productivity improvements

RECOMMENDATIONS

ACTIONS

01	Build awareness about organization's priorities and objectives	a. Communicate the organization-wide vision outlining short to long-term goals b. Define individual and team KPIs and metrics aligned with organization goals
02	Build awareness about organization's priorities and objectives	a. Implement integrated data collection measures for in-house and partner workforce b. Standardize and centralize data reporting across all functions c. Facilitate regular sharing of data and insights with leadership d. Build a central repository for all processes, GBS and non-GBS
03	Gain visibility into organization-wide data	a. Baseline current productivity metrics for different teams (actual vs expected) b. Focus on improving fundamental metrics of time, output, and throughput c. Start with big-size, low-risk delivery teams for quick wins
04	Identify productivity opportunities for immediate wins	a. Set benchmarks for quality, customer, and employee experience metrics¹ b. Deploy L&D² programs focusing on quality improvement and customer context
05	Bring focus on improving quality and experience	a. Implement advanced tools offering multiple data perspectives b. Identify correlations and trends between critical internal and/or external metrics
06	Leverage advanced data analytics for decision-making	a. Develop business cases justifying ROI³ of productivity interventions for sponsors b. Outline a stage-gated roadmap tagged with processes, timelines and governance c. Dedicate time and resources for both design and execution phases
07	Focus on incremental process improvements	a. Educate leadership on identifying and eliminating all non-value-added tasks b. Identify opportunities for AI and automation deployment
08	Foster a culture of continuous improvement	a. Conduct regular performance maturity assessments for all business units b. Establish enablers⁴ to promote rapid experimentation c. Prioritize initiatives by business impact as well as employee well-being d. Implement L&D initiatives focused on adjacent and innovation skillsets
09	Focus on transformative processes	a. Relook processes from an "experience lens" of all involved stakeholders b. Automate business processes end-to-end and operate as "one office"
10	Become a strategic unit driving organization's growth	a. Build dedicated teams with end-to-end accountability for managing data and leading productivity initiatives b. Secure a strategic role in decision-making through global leadership roles

How present-day GBS are solving for productivity

Insights from industry leaders



Customer and business context

To truly maximize productivity, it's essential to **connect delivery teams to the broader business context**. By clearly articulating the 'why' behind their work, we empower teams to understand the impact of their efforts. We achieve this by linking project outcomes to specific business objectives and emphasizing the consequences of missed deadlines or suboptimal results.

- Chief Information Officer of an Industrial GCC



Well-defined governance and dedicated teams

We've established a **cross-functional governance** process involving regular cadence of Workforce Management/ Continuous Improvement teams with leadership, data, and operations teams. This approach ensures data-driven insights are questioned and validated with real on-ground feedback for informed decision-making.

-Head, Workforce Management Team of an Automotive GBS



Focus on Quality

Quality is paramount in our operations. We achieve this by meticulously training our employees in complex medical coding, emphasizing accuracy over speed. Even through our incentives we reward quality of work over pace of work.

- Executive VP, India Transact Services of a Healthcare RCM GBS



Balance business impact and employee-well being

Prioritizing initiatives requires a balanced approach. While **business impact** is crucial, for us **employee well-being** is equally important. We treat our people, the way they want to be treated. We assess these two areas and if the rating on both the parameters is high and we see this is the right thing to do, we prioritize it right away.

-Sr. Manager, Resource Planning of a Retail GBS



Leadership Involvement

For any productivity initiative, **leadership buy-in and engagement** are crucial for success. We clearly call out impact from our initiatives and review our data along with the VP, EVP and heads of delivery units and sometimes even the CEO use this data for decisioning. This creates a ripple effect, driving accountability and ownership at all levels of the organization.

- VP, Resource Planning & Business Intelligence, Healthcare GBS

CONCLUSION

The journey from traditional shared services to strategic value centers has positioned GBS at the forefront of organizational transformation, making productivity not just a metric, but a strategic imperative.

Key takeaways for GBS leaders:

- **Data-Driven Decision Making:** Real-time visibility into productivity metrics is no longer optional. It's the foundation for agile decision-making and swift course corrections.
- **Holistic Approach:** True productivity gains come from aligning people, processes, and technology. This tripartite focus ensures comprehensive and sustainable improvements.
- **Scalable Strategies:** Whether addressing immediate challenges or planning long-term growth, the principles of productivity management are adaptable across all GBS maturity levels.
- **Cross-Functional Impact:** Productivity initiatives in GBS ripple across the entire organization, influencing everything from financial performance to talent retention and client satisfaction.
- **Cultural Transformation:** Embedding a productivity-focused mindset creates a culture of continuous improvement, driving innovation and operational excellence.

The imperative for GBS organizations is clear: embrace productivity as your north star. By doing so, you not only optimize operations but position your organization as a strategic powerhouse capable of navigating the complexities of global business with agility and foresight. The journey towards peak productivity is ongoing, but with the right strategies, tools, and mindset, GBS organizations can transform challenges into opportunities, driving unprecedented value for their enterprises in the years to come.

Transform your GBS organization into a strategic powerhouse through data-driven productivity. To embark on this journey of continuous improvement and operational excellence, please feel free to reach out to us at info@zinnov.com to explore how these strategies can be tailored to your unique organizational challenges.

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**NOTES TO
READERS**

GLOSSARY

DEFINITIONS	
Terminology	Description
Global Business Services (GBS)	Global Business Services is a unique construct in which multiple Shared Services functions are co-located in the same entity with the aim of delivering high value outcomes for the parent organizations. The GBS extensively leverages data, automation, and technology as key enablers to deliver high value for their global counterparts
Center of Excellence (COE)	A specialized unit with advanced expertise in a specific domain, operating across an organization to drive innovation, share best practices, and align with strategic goals
Burnout Risk	Represents threshold of 8 hours of productive work beyond which employees are likely to be overworked & may face the risk of burnout and declining productivity

DEFINITIONS FROM ZINNOV-PROHANCE PRODUCTIVITY QUADRANTS	
Terminology	Description
Laggards	Employees having low productivity, minimal hours / time invested
Hard Workers	Employees with high efforts but low productivity; need training / skill improvement
Efficient Performers	Employees with high output in less time; efficient in approach
Dedicated Operators	Employees achieving high output with dedicated effort; risk of burnout over time

METRICS	
Terminology	Description
Productive Time	Time spent on task completion/widget processing including both - time on and away from system for such work. It comprises of core and non-core time
Core Time	Time spent on applications, tools, websites, etc. which are core to day-to-day work of an individual
Non-Core Time	It has two elements: Collaboration (meeting) time and time spent on non-core apps/tools, for e.g. e-mail/chats, documentation, etc
Work Output – Productivity (in %)	Widgets processed as a % of total target widgets to be processed per productive work hour
Target Output Achieved – Productivity (in %)	% of target output achieved, normalized for factors such as complexity, skill sets, process tenure, and historical performance for individuals and teams.

ABBREVIATIONS	
Abbreviations	Description
AI	Artificial Intelligence
BPM	Business Process management
BU	Business Unit
COE	Center of Excellence
CSF	Critical Success Factor
GBS	Global Business Services
KPI	Key Performance Indicators
L&D	Learning and Development
PoC	Point of Contact
ROI	Return on Investment

METHODOLOGY

This report has been co-developed by Zinnov and ProHance through a comprehensive study to understand the significance, challenges and priorities of GBS leaders in India to drive sustainable productivity.

This report analyzes the following –

- Maturity framework of GBS organizations, and role of productivity in driving GBS transformation
- Key challenges to productive improvement and sustainable approach to tackle the same.
- Impact of leveraging comprehensive monitoring tools for data-driven decision-making and strategically managing change to realize short term gain as well as long-term impact.
- Playbook for GBS organizations to improve productivity sustainably while moving up the maturity curve

Data Aggregation

Zinnov Data

ProHance Data

Primary Research

- Survey and interviews with 120+ industry participants (CXO, MD, VP, country head, site head, Director) of Indian GBS organizations/ Global Capability Centers (GCCs).
- Discussions with 110+ leaders from 65+ unique organizations in Zinnov – ProHance Productivity Forums (across 4 forums conducted in Chennai, Bengaluru, Hyderabad and Pune across 10+ industries such as BFSI, software internet, healthcare, retail, etc.)

Secondary Research

- International Monetary Fund
- World Economic Forum
- Shared Services & Outsourcing Network
- Fortune500
- Financial Express
- Forbes
- Draup
- Business Standard
- Livemint
- Economic Times
- Industry Reports
- Company websites

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We are also grateful to the GBS leaders, industry experts, and practitioners who generously shared their experiences and perspectives during our research. Their contributions have provided a wealth of real-world insights that have enhanced the depth and relevance of this whitepaper.

Special thanks to the Zinnov team, whose expertise has been pivotal in crafting this comprehensive study. The team's dedication and commitment to excellence has been evident throughout the development of this project.

Finally, we acknowledge the broader community of GBS professionals whose ongoing efforts to drive productivity and innovation inspire us to continue exploring new ways to support their journeys.

Together, we hope this whitepaper serves as a valuable resource for those striving to elevate efficiency and unlock sustainable growth in GBS organizations.

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ABOUT PROHANCE

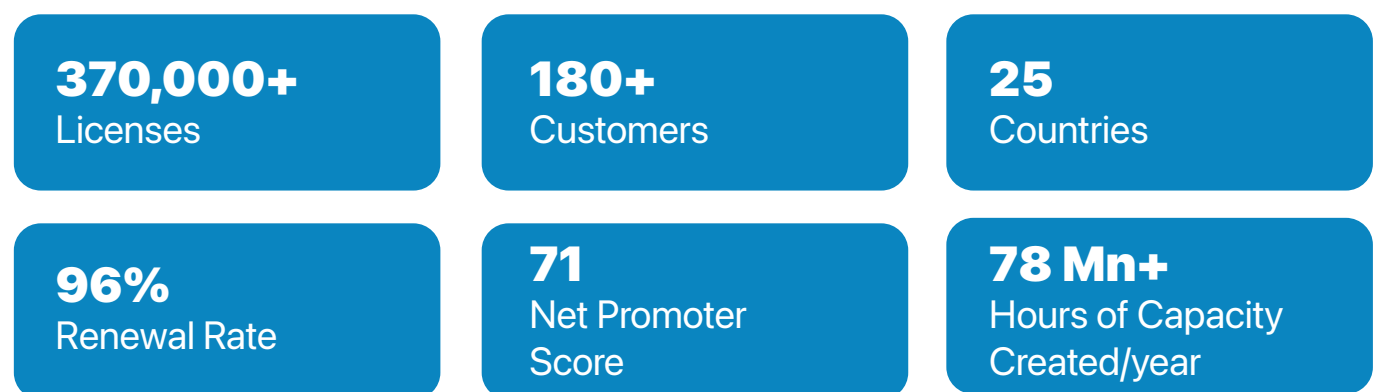
Data is the foundation of workforce management in today's hyper-competitive, globalized market. As workforce become more diverse, distributed, and comprised of various channels of expertise, enterprises will require tools that provide real-time guidance regarding productivity, performance, and a viewpoint into a "future state" of how the workforce will look given internal and external factors.

ProHance is an industry leader in the enterprise workforce analytics, productivity intelligence, and operational empowerment with 370,000+ users across 25 countries. The new-age platform is tailored for the hybrid work environment and productivity enhancement especially in GBS organizations through years of collaboration with companies like Tesco, JLL, American Express, Tata Power, Lowe's, and more. In an age when remote and hybrid work has become table stakes for the contemporary enterprise, solutions like ProHance enable businesses to track productivity from the first principles and generate real-time workforce intelligence to the executive leaders that crave actionable insights.

ProHance delivers ROI within 3-6 months of deployment



Key Highlights



For more information, log onto: www.prohance.net



ABOUT ZINNOV

Founded in 2002, Zinnov is a global management and strategy consulting firm, with presence in New York, Santa Clara, Houston, Seattle, Bangalore, Gurgaon, Hyderabad, Pune, and Paris. Over the past 22 years, Zinnov has successfully consulted with over 250+ Fortune 500 enterprises to develop actionable insights to help them accelerate their technology journeys to create value – across dimensions of revenue, transformation, and optimization. With core expertise in Digital Engineering Talent, Digital Transformation, Innovation, and Outsourcing Advisory, Zinnov assists clients by:

- Enabling global companies to design, build, transform, and scale their global engineering talent footprint through center setups and accelerators – in an as-a-service model, as well as optimizing their global portfolios, to achieve higher R&D efficiencies, innovation, and productivity;

Advising global PE firms in asset shortlisting and target evaluation, commercial due diligence, and value creation including global footprint accretion;

- Growing revenue for companies' products and services in newer markets through account intelligence, market entry, and market expansion advisory;
- Helping global companies outline and drive their open innovation programs, design and operate accelerator programs, and enable collaboration with start-ups across specific use cases and predefined outcomes;
- Structuring and implementing Digital Transformation levers enabled by technologies like AI/ML, Intelligent Automation, Cloud, IOT, etc.

With their team of experienced consultants, subject matter experts, and research professionals, Zinnov serves clients from across multiple industry verticals including Enterprise Software, BFSI, Healthcare, Automotive, Retail, and Telecom in the US, Europe, Japan, and India.

For more information, visit <http://www.zinnov.com>



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